



NEWS RELEASE

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Hudgens: September Is National Preparedness Month

Atlanta – September is National Preparedness Month, and Insurance Commissioner Ralph Hudgens encourages Georgians to take steps now to ensure protection for their family and property in the event of a disaster.

An insurance plan can help make the recovery process a little easier. It is critical that a claim be filed correctly to ensure you receive accurate payment in a timely manner. Here are some tips to help you with your insurance plan:

Step One: Prepare For the Worst

- For personal safety, identify what storm shelter is closest to you and prepare an evacuation plan. Choose two meeting places: one right outside your home in case of a sudden emergency, such as a fire, and one outside your neighborhood if you can't return home.
- Make a plan for your pets. Not all emergency shelters will take pets, so check with your local veterinarian for help with a plan.
- If you need to evacuate your home, turn off all utilities and disconnect appliances to reduce the chance of additional damage when utilities are restored.
- Take proactive steps to protect your property from loss such as installing storm shutters or cover windows prior to a hurricane. Be sure there is no loose siding on your home and no damaged or diseased trees growing nearby.

Step Two: Take an Inventory of Your Property

- It's always a good idea to have current photos or videos of your home before a disaster strikes. If you use a digital camera, e-mail the photos to yourself, a friend or a relative, or store them online in a Cloud.
- Take an inventory of your personal property, such as clothes, jewelry, furniture, computers and other electronic equipment. Photos and video of your belongings, as well as sales receipts and the model and serial numbers of items, will make filing a claim faster. Leave a copy of your inventory with friends or relatives, e-mail it to yourself, and/or store it in a safe location. Additionally, add information such as the name of your insurance company and agent, policy number and contact information to your inventory.

- Move all of your important documents to a safe location. Take them with you when you evacuate or store them in a safe deposit box.

Step Three: Review Your Insurance Coverage

- Review your insurance coverage. What does your insurance policy cover? What does it exclude?
- The standard homeowners' insurance policy does not cover flood damage. Check if your policy covers debris removal and sewer back-up.
- Find out if your policy covers additional living expenses to reimburse you for the cost of a temporary residence if you are unable to live in your home.
- If you have jewelry or collectibles, check the limits of coverage. You may need more coverage to compensate for these items.
- What is your deductible? You will have to pay at least this much if you have a covered loss.
- Be sure you understand the difference between replacement cost and actual cash value. If your coverage is for replacement cost value and the cost to repair the property is greater than the cost to replace the property, the insurance company will reimburse you the dollar amount needed to replace damaged personal property or dwelling property with like kind and quality, limited by the maximum dollar amount listed on the declarations page of the policy. For example, if you own a five-year-old lawn mower that is destroyed by a fire, the company will reimburse you with the amount to purchase a new, similar lawn mower, minus your deductible.
- If your coverage is for actual cash value and the cost to repair the property is greater than the actual cash value of the property, the insurance company will reimburse you the dollar amount to replace the property minus the amount of accumulated depreciation. For example, if that same five-year-old mower was destroyed, and the average lawn mower lasts 10 years, the company will only reimburse you for half (10 years minus five years) the cost of the item, minus your deductible.

Step Four: What to Do After Disaster Strikes

- File your claim as soon as possible. Call your insurance company or agent with your policy number and other relevant information. Your policy may require that you make the notification within a certain time frame.
- Be sure you cooperate fully with the insurance company. Ask what documents, forms and data you will need to file a claim. Keep a log of all conversations with insurance companies, creditors or relief agencies.
- If your home is damaged as to make it uninhabitable, ask your insurance company if you have coverage for additional living expenses.
- Take photographs/video of the damage.
- Make the repairs necessary to prevent further damage to your property (cover broken windows, leaking roofs and damaged walls). Don't have permanent repairs made until your insurance company has inspected the property and you have reached an agreement on the cost of repairs. Be prepared to provide the claims adjuster with records of any improvements you made prior to the damage.
- Maintain any damaged personal property for the adjuster to inspect.
- Ask the adjuster for an itemized explanation of the claim settlement offer.
- Save all receipts, including those from the temporary repairs covered by your insurance policy.
- Be wary of contractors who demand upfront payment before work is initiated or payment in full before work is completed. If the contractor needs payment to buy supplies, go with the contractor and pay the supplier directly.

- Get more than one bid. Ask for at least three references. Check with the Better Business Bureau about the contractor. Ask for proof of necessary licenses, building permits, insurance, and bonding. Record the license plate number and driver's license number of the contractor.
- If there is a disagreement about a claim, ask the company for the specific language in the policy in question and determine why you and the company interpret your policy differently.
- If the first offer made by an insurance company does not meet your expectations, be prepared to negotiate a fair settlement.

Commissioner Hudgens also encourages Georgians to visit www.ready.ga.gov to learn more about the risks facing their communities.

If you have any questions, please call the Georgia Department of Insurance at (404)656-2070 or toll free at (800) 656- 2298.